

BOARD POLICY Section II -#20	Page 1 of 1
	Effective Date:
Subject: Investment Policy	Revised Date: 05/23/12
	Approved By:

I. Background

The Bylaws of the West Contra Costa Healthcare District Board of Directors (Board of Directors) and the Bylaws of the Doctors Medical Center – San Pablo Governing Body (Governing Body) both outline the powers and authority of the Governing Body, including management of excess funds.

The purpose of this Policy is to ensure that surplus funds are invested by the District in accordance with statutory guidelines and a prudent balance between fund preservation, liquidity, and return on investment. As a Health Care District, investment options are governed by the State of California as set forth in the Government Code chapters on “Investment of Surplus” (Section 53600, et.seq.) and “Deposit of Funds” (Sections 53630, et.seq.).

II. Investment Management

On at least an annual basis the Governing Body will appoint an Ad Hoc Investment Committee to provide oversight of the District’s surplus funds and their investment, and shall advise the Governing Body on investment options and investment policy. The Governing Body may at any time appoint one or more investment managers to work with the Chief Financial Officer, the Ad Hoc Investment Committee or the Governing Body on review investment issues, and may delegate discretion and authority to the Chief Financial Officer, the Ad Hoc Investment Committee or a professional investment manager(s) over surplus funds, subject to the limitations on such delegation and investment restrictions established by State Law, this Policy, or from time to time by the Governing Body.

III. Investment Guidelines

A. Investment of funds on behalf of the District shall conform to the Prudent Investor Standard as set forth in Government Code Section 53600.3, which includes proceeding in a manner “a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

B. Investments will be limited to those authorized in the Government Code chapters on “Investment of Surplus” (Section 53600, et.seq.) and “Deposit of Funds” (Sections 53630,

et.seq.), including U.S. Treasury instruments, certain Bank obligations, “prime” commercial paper and bills of exchange, bank certificates of deposit, money market funds, bonds and notes, and other investment vehicles as described by statute. The District is specifically authorized to place funds in the Local Agency Investment Fund established by the State of California (Government Code Section 16429.1) and with the Contra Costa County Pooled Investment Fund (Government Code Section 53684).

C. The Chief Financial Officer shall annually provide the Governing Body a copy of this Statement of Investment Policy for review at a public meeting. In addition, the Chief Financial Officer shall deliver a quarterly report to be submitted within 30 days following the end of the quarter covered by the report. This report shall cover information required by Government Code Section 53646, including type of investment, issuer, investments and moneys held, and shall additionally include a description of any of District funds under the management of contracted parties, and general investment fund compliance with this Policy. For investments that have been placed in the Local Agency Investment Fund or in a County Investment Pool, or any combination of these, the Chief Financial Officer may supply to the Governing Body the most recent statement or statements received from these institutions in lieu of the Chief Financial Officer’s own report required by this Policy.

IV. Legislative Changes

The statutory references within this Policy shall be deemed to incorporate any legislative changes to the codes subsequent to adoption of this Policy and shall further be deemed to incorporate any successor statutes that subsequently replace the referenced statutes or statutory schemes.